



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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April 12, 1994

Mr. Ronald R. Day
Vice President
Rancho Equipment Services
P.O. Box 591
279 East Main
Delta, Utah 84624

Re: Review of Additional Information, Notice of Intention to Conduct Large Mining Operations, Rancho Equipment Services (Rancho), Topaz Valley Limestone Quarry, M/023/022, Juab County, Utah

Dear Mr. Day:

The Division has completed a review of your response letter dated January 18, 1994. The additional information satisfies the Division's outstanding concerns described in our November 22, 1993 review letter. At this time the Division is prepared to grant tentative approval for the Topaz Valley Limestone Quarry. Preparations will be made to start the Division's 30-day public comment period as soon as possible. Also, we will notify RDCC of the proposed project. Rancho may not begin work on the area outside of the small mining operations five acre limit until final approval is granted by the Division.

With regard to your letter, we offer the comments listed below as clarification.

R647-7-106 Operation Plan

106.5 Existing soil types, location, amount

The last Division letter stated the total amount of soil coverage for the quarry area should be at least 12 inches in depth. The soil material for the quarry area may be made up of limestone fines or a combination of limestone fines and salvaged topsoil. The total amount of soil coverage over other portions of the site should be at least six inches in depth. This soil material may be topsoil or a combination of limestone fines and topsoil. If possible, the salvaged topsoil should be evenly distributed over the entire site.

Rancho estimates the maximum amount of salvageable topsoil at the mine site to be approximately 4,000 cubic yards. This amount of topsoil would be sufficient to cover approximately five acres at a depth of six inches. For cost estimation purposes, the Division assumed that 12 inches of limestone fines would be placed over the quarry area (7.2 acres), six inches of topsoil would be placed over five (5) acres of the site, and six inches of fines would be placed over the remaining area (3.6 acres). Under this reclamation scenario, Rancho would need a total of approximately 14,500 cubic yards of fines for final reclamation of the site. (AAG)



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R647-4-113 Surety

The previous Division reclamation estimate of \$34,200 was based on information available at that time (8/22/92). The additional information received, describing reclamation of the site and the passage of time, has made it necessary to adjust the reclamation surety estimate. In particular, there have been three types of adjustments (1) unit costs (regrading, ripping, placing fines, mulch & fertilizing, disking & seeding); (2) volumes (fines placed on the quarry and other portions of the site); and (3) the escalation factor. Please find attached a new reclamation surety estimate based on these adjustments. Please note that the dollar amount of \$35,300 is in terms of 1999 dollars, i.e. escalated five years from the present date. (AAG)

The latest correspondence indicates Rancho wishes to pursue an escrow account as a form of reclamation surety. From recent discussions with the BLM State Office, we have learned that they cannot accept an escrow account as a form of surety. Unfortunately, the BLM's rules regarding acceptable forms of surety are currently being revised. At this time, we do not have a list of surety forms acceptable to the BLM. We may need to hold a joint meeting between the BLM, Division, and Rancho to resolve this surety issue.

Please find enclosed a copy of Reclamation Contract (Form MR-RC) which will need to be completed. The details regarding the type of surety are needed in order to complete the MR-RC form. A guideline for completion of the Reclamation Contract form is enclosed to assist you.

After the 30-day public comment period has expired, the Division will need the completed surety and Reclamation Contract forms to present the matter to the Board of Oil, Gas and Mining (Board) for approval at their monthly Board Hearing. All information to be presented to the Board needs to be received by the Division in a final form approximately three weeks before the date of the Hearing.

If you have any questions regarding this letter, please contact me or Tony Gallegos of the Minerals staff. Thank you for your assistance in completing this permitting action.

Sincerely,



D. Wayne Hedberg
Minerals Permit Supervisor

jb
Attachment: reclamation cost estimate
Enclosures: Form MR-RC & Guidelines
cc: Rody Cox, BLM, House Range RA
Lowell Braxton, DOGM
M23-22t.let

RECLAMATION ESTIMATE

Rancho Equipment Services

Topaz Valley Limestone Quarry

S/023/022 => M/023/022

Prepared by Utah State Division of Oil, Gas & Mining

last revision 02/04/94

filename M23-22.WQ1

Juab County

Details of Final Reclamation

- Small mining operation converting to large mining operation
- All structures & equipment, trash & debris to be removed from the mine site
- All pads & new roads to be ripped to 6" depth, disked & seeded
- Quarry benches/highwalls blasted or regraded to 3h:1v
- ASSUME 2/3 quarry area has a highwall at reclamation
- Operator estimates maximum amount of salvageable topsoil as 4,000 CY
- Estimated salvageable topsoil spread 6" deep will cover approximately 5 acres
- Limestone fines to supplement topsoil for remainder of site; approximately 10.8 acres
- Entire disturbed area fertilized, mulched, disked & seeded (drill or broadcast)
- All drillholes not mined will be plugged according to DOGM rules
- Disturbed area=quarry(7.2)+ore stockpile(1.6)+waste stockpile(1.6)+access(1.0)+topsoil stockpiles(0.8)+process area(0.5)+storage (1.1)+haul road(2.0)
- Topsoil stockpile areas to be disked & seeded
- Total disturbed acreage (from BLM EA) = 15.8 acre

Activity	Amount	\$/unit	\$
Regrade 2/3 quarry to 3:1	4.8 acre	578	2,774
Place fines on quarry(12" deep) 11,616 CY	7.2 acre	578	4,162
Place fines on other areas(6" deep) 2,904 CY	3.6 acre	289	1,040
Rip stockpile pads & roads	6.6 acre	485	3,201
Place salvaged topsoil(6" deep) 4,033 CY	5 acre	289	1,445
Fertilize (200 lb/acre) & mulch(2,000 lb/acre)	15.8 acre	200	3,160
Disk & seed	15.8 acre	230	3,634
Remove trash & debris	15.8 acre	100	1,580
Plug drill holes	1 sum	1,000	1,000
Remove highwall berms	800 LF	3	2,400
Remove culverts	5 each	100	500
Mobilization	5 equip	1,000	5,000
	Subtotal		29,896
	Add 10% contingency		2,990
	1994-\$ Subtotal		32,886
	Add 5 yr escalation at 1.42%		2,402
	Total 1999-\$		35,288
	Rounded Total in 1999-\$		\$35,300

Average \$/acre = \$2,234